

**CENTRAL INTELLIGENCE AGENCY**

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**NATIONAL FOREIGN ASSESSMENT CENTER ESTABLISHED**

The CIA's Directorate of Intelligence and the Office of the National Intelligence Officers have been merged to form a new organization, the National Foreign Assessment Center. The change was effective 11 October 1977. Robert R. Bowie, Deputy to the Director of Central Intelligence (DCI) for National Intelligence, has been appointed Director of the Center. The Center is located in the CIA Headquarters building where personnel involved in the merger had worked previously, i.e., no movement of people has taken place.

The merger is designed primarily as a streamlining move, combining under one person all of the DCI's subordinate elements involved in the production of finished intelligence. No major internal realignments or changes in personnel are contemplated. The merger is another step in implementing the Presidential Directive concerning reorganization of the Intelligence Community announced on 4 August 1977.

The National Intelligence Officers have been responsible for the production of National Intelligence Estimates for the President and the National Security Council. These studies provide the best information and judgment available to the U.S. Government on major trends and events

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ON PAGE **27**

Approved For Release 2003/12/03 : CIA-RDP90-01137R000100020001-6

U.S. NEWS & WORLD REPORT  
25 June 1984



## Special Report

# INSIDE CIA What's Really Going On?

Covert actions, such as mining of Nicaraguan ports, make the headlines. But developments elsewhere in America's secret spy agency are even more far-reaching.

After a four-year program to beef up the Central Intelligence Agency, the results can now be seen—a spy service with new muscle and influence to match.

Flush with money and manpower, the CIA is back at work worldwide, operating on a scale not seen since the Vietnam War.

Even its mission has been expanded. On top of espionage, intelligence analysis and covert operations, the agency has joined the wars on terrorism, international drug traffickers and Soviet theft of U.S. technological secrets.

One thing has not changed. CIA involvement in covert operations still stirs passions and controversy. Congress is threatening to bar funds to finance the "secret war" against the Sandinistas in Nicaragua.

The turnaround, pushed hard by President Reagan and CIA Director William J. Casey, has elevated the spy unit from a state of disrepute during the 1970s to a newfound position of power and influence on foreign policy.

Central to the agency's changing fortunes is Casey, whose close political and personal ties to Reagan give the CIA the kind of White House access—and credibility—it has not had for years. The despair that gripped the organization during what were called "the troubles" has lifted.

But some critics fear that the revitalized agency is becoming too influential and that Casey has too much say in the shaping of U.S. policy. Others warn that covert actions will drag America into combat.

Congress, while attempting to keep a tight rein on the CIA, actually began pushing the buildup of the organization even before Casey took over and has strongly supported it since. This backing stems in part from a need for better intelligence about a growing Soviet military capability. The CIA is also seen as providing America with a means of intervening in world crises without sending in combat units.

Headquartered in the Washington suburb of Langley, Va., the supersecret agency, with up to 18,000 staffers, has long been embroiled in controversy. While most concern has focused on covert activities, these are by no means the most important part of a broader mission.

## Clandestine Wars Return

Nowhere is Casey's influence more apparent than in the revival of covert action—missions

some of them filled by

The effects of this being felt around the

■ In Afghanistan, support for Moslem i tion forces. Annual a the like—now is said

■ In El Salvador, ti political groups in the Jesse Helms (R-N.C.) in the victory of José Napoleón Duarte.

All told, says one official with access to inside information, the agency is engaged in about half a dozen large-scale covert operations overseas. The CIA may conduct as many as 50 minor secret projects. That number, while far smaller than in the CIA's peak years, nonetheless marks a significant increase in covert action under Reagan.

Far and away the most eye-catching operation is in Nicaragua. Under Casey, officials report, some 73 million dollars has been spent to build up anti-Sandinista *contra* forces to 12,000 rebels.

The CIA has coordinated airlifts, planned attacks and built a sophisticated communications network for the largest paramilitary action since the Vietnam War—activities that have sparked charges that the agency's covert operations have gotten out of hand once again.

But Senator David Durenberger (R-Minn.), a member of the Senate Intelligence Committee and a frequent critic of the CIA, says: "The question is: Did Reagan leap in to start up operations? And the answer is no. While the inclination to use covert operations is stronger, there's still a great deal of care."

Even within the staff at Langley, Casey's enthusiasm for

CIA Director Casey on Capitol Hill for hearings on secret operations.



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Continued

# 'New' CIA deepens U.S. involvement

By ALFONSO CHARDY  
And JUAN O. TAMAYO  
Herald Staff Writers

WASHINGTON — They were known as the CIA's "Family Jewels," the private sins whose public airings virtually destroyed the agency's capacity for covert action in the mid-1970s.

Eight plots to assassinate Fidel Castro. Destabilization of Salvador Allende's administration in Chile. The Bay of Pigs. The overthrow of the Diem regime in Vietnam. Snooping on American students. Opening U.S. mails.

Throughout the late 1970s, the CIA's strong-arm specialists moped, retired early or were fired as a post-Watergate Congress shined the bright light of morality on the dark corners of the spy underworld.

But now many of the CIA's covert action experts have come in from the cold, lured out of inactivity by President Reagan's vows to pull up America's socks in a worldwide contest with the Soviet bloc.

Reagan's "new" CIA has launched at least 11 covert campaigns since he walked into the White House, by far the highest number since the agency's salad days in the 1960s, U.S. intelligence sources say.

The biggest of them — in fact, the biggest CIA operation since the Bay of Pigs — is in Central America, where Reagan sees leftist subversions being fueled by Nicaragua, Cuba and the Soviet Union.

And now, public disclosures of the Central American covert operation have brought new criticism of the CIA. The controversy has grown into one of the most heated in Washington today.

Liberal congressmen want to squash the CIA campaign. There are fears that it could help trigger a war between Nicaragua and Honduras. There are high-sounding arguments that the world's leading democracy should not stoop to

international skulduggery.

Administration officials adamantly defend the covert operation, saying it is an essential part of a three-legged campaign to stem the spread of Marxist insurrection in the region between the Panama Canal and Mexico's oilfields.

The campaign combines U.S. military aid to U.S. allies fighting leftist subversion, U.S. economic aid to erase the social inequities that fuel revolutions, and CIA funds to attack the perceived root of much of the trouble — Nicaragua's leftist Sandinista government.

In the past two years, Reagan has pumped more than \$1 billion in economic aid and \$218 million in military assistance into Central America — not counting the \$19.5 million for the CIA operation.

The number of U.S. military personnel stationed in Honduras will soon rise to about 300. Fifty-five U.S. military advisers are stationed in El Salvador, and Reagan is reportedly considering sending up to least 50 others to Guatemala. Even Costa Rica, which doesn't have an army, has received U.S. military aid.

The economic aid requests have had easier sailing through Congress than proposals for military assistance. While agreeing largely on the Marxist threat to Central America, members of Congress dissent heartily over Reagan's accent on military assistance.

Unwilling to face future charges that it "lost" El Salvador, Congress grudgingly approves only part of the Reagan requests for military aid — and wraps them in a spider's web of demands for progressive reforms by the Salvadoran government.

In recent weeks, the dispute over Reagan's approach to Central America has spilled over into the executive branch, essentially pitting the National Security Council against officials in the State Department.

NSC chief William Clark and the U.S. ambassador to the United Nations Jeane Kirkpatrick, both hardliners on Central America, are now said to have the strongest voices on policy.

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## Keepin

Reagan's usefulness in the three rebels in have come who read the GOP 1980 campaign platform.

The platform vowed Reagan would "seek to improve U.S. intelligence capabilities for technical and clandestine collection, cogent analysis, coordinated with counterintelligence and covert action."

It also deplored Cuban and Soviet intervention in Central America and "the Marxist Sandinista takeover of Nicaragua." More significantly, it promised to "support the efforts of the Nicaraguan people to establish a free and independent government."

Reagan had been campaigning for the GOP nomination as Central America virtually went up in flames. In mid-1979, Sandinista guerrillas toppled Nicaraguan President Anastasio Somoza. Six months later, Marxist insurrections exploded in neighboring El Salvador and Guatemala.

Congressional sources with access to intelligence information say that a few days after the GOP adopted its 1980 platform, several former CIA officials began forging the framework of a covert program to restore the agency's "strength" around the world.

These former CIA officials were described as "old-timers," some of them covert action specialists dismissed by the hundreds in the 1977-1978 housecleanings that followed congressional investigations into charges of CIA abuses — the so-called Family Jewels.

CONTINUED

BALTIMORE NEWS-AMERICAN  
1 FEBRUARY 1983

# CIA lost influence on Soviet issues

• Second of two articles.

By Knut Royce  
Hearst News Service

WASHINGTON — The Central Intelligence Agency has lost much of its pre-eminence in influencing national security decisions on Soviet matters, according to CIA and other intelligence sources.

Despite substantial growth in personnel and resources under the Reagan administration, the agency has become the victim of entrenched ideology within the National Security Council, the administration's foreign-policy arm, and military intelligence agencies have taken up the slack, the sources said.

"It's awfully difficult to tell Richard Pipes something he doesn't want to hear," one CIA analyst complained. Pipes, who recently resigned from the NSC, is widely known for his tough anti-Russian posture.

The sources attributed much of the emerging influence of military intelligence agencies, especially the Defense Intelligence Agency and Air Force intelligence, to their hard-line reporting of the Soviet threat.

The leading casualty of administration snub within the CIA has been the so-called Soviet Shop, the largest subdivision within the agency. It has several hundred analysts who pore over thousands of documents, field reports and other intelligence flowing from Russia and Eastern Europe and assess the data for policymakers.

One intelligence source who has direct knowledge of the interplay between the Soviet Shop and the administration's na-

tional security advisers attributes the distrust by the administration to a belief that "the CIA has consistently promulgated a very benign view of Soviet policies and Soviet aggressiveness."

One analyst who has briefed policymakers in both the Carter and Reagan administrations described the differences this way: "Under Carter there was a lot more interchange, more interaction on analyses. The Reagan National Security Council is much more ideological. There is much more proclivity now to already know the answers."

Zbigniew Brzezinski, Carter's national security adviser, agrees. "Our NSC staff was more inclined to encourage analysis, to react to it, and therefore help the CIA develop it further," he said in an interview.

Recent evidence of the diminished role of the CIA's analytical function in Soviet affairs was the NSC's rejection of the CIA's conclusion that the administration's resistance to the Soviet natural gas pipeline was a flawed policy. Because the NSC receives much of the same cable traffic as the CIA, it drew its own conclusions — and rejected the CIA's findings.

Only after Secretary of State George Shultz joined the administration last summer was the policy modified.

Signs that changes were in the wind emerged even before the administration settled into the White House. One of the aides in the CIA transition team, Angelo Codevilla, now on the staff of the Senate Select Committee on Intelligence, urged

the dismissal of all members of the Soviet Shop management, although he was overruled by the transition team's director, Edward Rowney, now the administration's chief arms control negotiator.

Still, the Soviet Shop was uprooted and transferred en masse to a new facility in nearby Vienna, Va., a relocation that removed them from classified files, from other CIA staffers and from the agency's nerve center. A number of analysts resigned and, according to a knowledgeable source, "the analytical output declined."

To be sure, the CIA blundered in some estimates of Soviet military buildup. But in many areas, such as predicting when the Soviets would come out with MIRVs, or multiple warheads, the CIA was closer to target than military intelligence.

Yet the defense intelligence agencies, according to several sources, are clearly in favor inside the administration. The predisposition was there from the moment the administration came in in 1981.

The dominant service intelligence unit is Air Force Intelligence, the sources said. "Air Force Intelligence, because (the Air Force) has got most of the strategic weapons, gets to do a lot of the glamour stuff on the Soviet Strategic threat," an analyst said. "It's got a lot of hard-chargers in the intelligence management."

Another CIA analyst said the Air Force had "achieved pre-eminence (within the administration) because they tend to be harder-line boys."

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WASHINGTON QUARTERLY  
CENTER for STRATEGIC and INTERNATIONAL  
GEORGETOWN UNIVERSITY  
AUTUMN 1982

*Ray S. Cline is a senior associate at CSIS and formerly served as deputy director for intelligence at the CIA and director of the Bureau of Intelligence and Research at the State Department. His latest book, The CIA: Reality Versus Myth (Washington: Acropolis Books, 1982), contains an earlier version of this reminiscence.*

## Ray S. Cline

*National euphoria over the successful conclusion of the Cuban missile crisis, argues former key CIA analyst, at the time may have contributed to decreasing U.S. concern for intelligence assessment in subsequent years.*

# A CIA Reminiscence

The CIA's deputy director for intelligence (DDI) supervises the sorting and study of the flood of information reaching this country from all sources, sifting the wheat from the chaff, the signals from the noise. He is the highest-ranking full-time intelligence analyst in Washington. He is responsible for keeping meaningful intelligence flowing to the whole national security community and for letting his boss, the Director of Central Intelligence (DCI), and the DCI's boss, the president, know what is going on in the turbulent world of foreign geopolitics and actual or potential threats of military action.

Among the most crucial are the 1,000 men and women working in the National Photographic Intelligence Center (NPIC), where in 1962 high-flying U-2 and satellite reconnais-

sance photography received its initial readout after each flight.

In 1962, I served as DDI under John A. McCone, and on a normal day at my desk on the seventh floor in the Langley headquarters building, hundreds of pieces of information were called to my attention in one way or another to make sure I perceived the strategic implications and tried to communicate them to the director, Secretary of State Dean Rusk, Secretary of Defense Robert McNamara, Assistant to the President for National Security Affairs McGeorge Bundy, and President John F. Kennedy.

Late in the afternoon of October 15, 1962, my secure (scrambled) phone rang and a senior officer at NPIC cast all the many other thoughts and preoccupations of the DDI out

**CONTINUED**

### CIA Merges Directorate, Office

Washington—Central Intelligence Agency, in another effort to streamline internal intelligence gathering efforts, has merged the Directorate of Intelligence and the Office of the National Intelligence Officers into a new organization called the National Foreign Assessment Center.

According to the CIA, the merger is designed primarily to combine under one person all of the directorate's subordinate elements involved in the production of analyzed intelligence. Robert R. Bowie, deputy to the director of central intelligence for national intelligence, has been appointed director of the center.

The National Intelligence Officers were responsible for the production of national intelligence estimates for the President and the National Security Council. Compiled by the entire intelligence community, these studies provide the government with information on major trends and events abroad that affect the security and foreign policy of the U. S., according to the CIA. The Directorate of Intelligence has been responsible for intelligence analysis and production within the CIA.

Under the reorganization, the new center will continue both these functions. In announcing the move, the CIA noted that no change is contemplated in the procedures for producing national estimates or for intelligence community participation in their preparation.

In a related matter, the CIA also notified aerospace companies dealing with top security matters to tighten procedures concerning the usage and transmission of U. S. top secret codes, according to U. S. officials (AWAST Oct. 17, p. 20). The new procedure calls for two persons to be present when codes are being used, instead of one. In addition, movement of U. S. codes now requires two couriers instead of one as was previously required. The new code procedures are part of increased emphasis on security to prevent leaks and possible dissemination of information.

In another internal development, the CIA also recently decided to cut 800 to 820 persons from its Directorate for Operations, which is responsible for the agency's covert activities. The staff reduction has been under consideration by the CIA since the wind-down in the post-Vietnam War period. The cutback is being spread over a 26-month period to allow for the impact of retirements and other procedures that would reduce the need for layoffs, according to a CIA official.

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LOS ANGELES TIMES  
3 AUGUST 1977

## NO EVIDENCE OF LEAKS, AGENCY SAYS

### Summer Interns Know CIA

BY NORMAN KEMPSTER

Times Staff Writer

WASHINGTON—Like hundreds of other college graduate students, Scott Bernat is working this summer as an intern for an agency of the federal government.

Unlike most of the others, when September comes Bernat will not be able to say very much about his summer job during rap sessions between classes at Harvard law school: he is preparing strategic military intelligence estimates for the CIA.

This summer, the CIA's intern program, now in its 11th year, brought 65 graduate students from throughout the nation to the agency's campus-like headquarters in suburban Langley, Va.

The students never see a cloak or a dagger, never learn the esoteric techniques of subverting a foreign government and never study hand-to-hand combat. Like most of the CIA's employees, their job is to analyze information rather than to collect it.

Nevertheless, the interns are in daily contact with some of the nation's most sensitive secrets. Only students who can qualify for "top secret" clearances are hired for the program, and a number of interns eventually join the agency as full-time employees.

CIA officials said the interns were given access to the full range of classified information. Some of the agency's old hands were reluctant to trust the interns with so much secret material, but officials contend there have been no leaks as a result of the program.

Most interns are assigned to the Intelligence Directorate, where specialists try to make sense out of the constant flow of information from reconnaissance satellites, spies, foreign and American newspapers and other sources. A few are assigned to the Office of Science and Technology, which analyzes scientific information.

Off-limits for the interns is the euphemistically named Directorate of Plans, the section that handles clandestine projects ranging from political action in other countries to traditional espionage.

"It takes 18 months to two years to train an operations officer," CIA personnel director Fred W. M. Janney

have no use for summer interns."

The intern program began out of necessity in 1964. On Feb. 3 of that year, China's official newspaper, the People's Daily, accused the Soviet Union of betraying communism, marking the final break in the once-solid Moscow-Peking alliance.

The CIA viewed the split with mixed emotions. It welcomed the friction between the Communist giants but it knew it had neglected to develop a trained cadre of Peking-watchers because for years it had regarded China as a Soviet satellite.

Worse, there was no place for the agency to go for instant China experts. Most universities had dropped their China studies programs after many top professors had been humiliated during the "who lost China" debate of the McCarthy era.

"We realized we had only a handful of China specialists in the intelligence analysis section," Janney said. "There was a dearth of area specialists."

To fill the vacuum, some agency officials suggested bringing in graduate students for a summer of work on the China desk. The objective was to stimulate an interest in China among scholars, some of whom might wish to return to the CIA after obtaining their degrees.

But it took two years for advocates of the program to sell the idea to the agency's leaders. The security section was reluctant to permit untried college students to see the secret information that is the CIA's stock-in-trade.

"The idea of bringing students into the agency and giving them the full depth of clearances and then sending them back to school in the fall gave the Office of Security a good deal of heartburn," Janney said.

But none of the interns has ever given away any of the agency's secrets, he said. That is more than the CIA can say about some of its former full-time employees, several of whom have written books and otherwise put agency secrets on the public record.

"If something like that had happened, I think the Office of Security would have blown the whistle on the entire program," the personnel director said.

The program finally got under way in 1966 with four students, all potential China experts.

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gram is to establish a nucleus of graduate students who will support the agency on campuses throughout the country.

A Washington lawyer who has frequently raised questions about CIA activities suggested that, when the summer interns returned to college, they might keep their former colleagues informed about anything of interest on campus.

The CIA emphatically denies any such use of interns. But there is no question that the program gives the CIA a foothold on campuses.

By carefully selecting only the top rank of students, the agency can cultivate an image of high academic quality. This year's class of 65 interns was selected from 850 applicants.

There is nothing secret about the CIA's intern program, but it has been little noticed. Since the inception of the program, the agency has publicized it through notices posted on college bulletin boards and occasionally through advertisements in student newspapers.

According to participants, the intern program has produced much goodwill for the CIA.

"I think all of the interns have not just a favorable but a very favorable impression of the agency," Bernat said. "I can't think of a single summer intern who does not have a fine feeling for the agency."

Bernat, who has degrees from Princeton and Oxford and plans to enter law school at Harvard in the fall, was one of three interns interviewed at CIA headquarters.

In his second summer at Langley, Bernat is assigned to the section that makes estimates of the world military

Reorganization of the Directorate of Intelligence

During the past several years, the Directorate of Intelligence has taken a number of steps to change the focus of its production effort in order to be more responsive to the expressed needs of its consumers. The momentum for undertaking a more intensive examination of the way in which CIA was organized to produce intelligence was given additional impetus by the numerous Executive and Congressional examinations of the production process. In particular, the findings of both the House and Senate Select Committees on Intelligence and a number of consumer surveys undertaken by the IC Staff all seemed to focus on two basic areas--the need for CIA to produce more integrated or interdisciplinary analysis and the need to create a working environment in which the analytic career could flourish.

With the establishment of the Executive Advisory Group in CIA, the new leadership of the Agency made one of its first priorities a basic re-examination of intelligence production in the Directorate of Intelligence. This study was taken internally under the direction of Dr. Sayre Stevens, the Deputy Director for Intelligence. It had four basic objectives:

- To identify those organizational changes needed to facilitate the production of interdisciplinary analysis.
- To consolidate the total intelligence production effort within CIA.
- To foster the production effort on three counts:
  - the production of long-range issue-oriented analysis.
  - the development of new methodologies.
  - the identification of more effective presentational means.
- To create a working environment in which an analytic ethos could flourish and could be recognized as the principal career track to be followed in the DDI.

# U.S. Intelligence Officials Apprehen Shake-Ups Under Cart

By DAVID BINDER  
Special to The New York Times

WASHINGTON, Dec. 12—United States intelligence officials, who say they have largely recovered from the demoralizing shocks of Congressional investigation and disclosure of past misdeeds, are facing the accession of President-elect Jimmy Carter with apprehension about the possibility of new organizational shakeups.

The consensus of William E. Colby, former Director of Central Intelligence, his successor, George Bush, and other top-ranking United States intelligence officials interviewed in the last two weeks is that there have been enough changes recently.

They note that the Central Intelligence Agency, under Mr. Carter, will be getting its fifth director in less than five years, that the Defense Intelligence Agency is operating under its third director in the same period and that both agencies have just undergone major reorganizations and personnel cutbacks.

## Turnover Called Disruptive

"The turnover has been disruptive," said a National Security Council official who has had extensive experience in the intelligence service—a sentiment widely shared in the field.

The professionals point out, for example, that James R. Schlesinger dismissed 2,000 C.I.A. employees in his nine-month term of office in 1972 and made sharp structural reforms.

Upon succeeding Mr. Schlesinger, Mr. Colby was forced to devote the bulk of his two-year term to appearances on Capitol Hill to testify about the agency's past covert operations, including assassination plots and mail openings. Just as the hearings drew to a close, Mr. Colby was replaced by Mr. Bush.

Each man brought his own men into the top echelons. "We are resilient," a long-time agency officer commented. "But nobody can go through all that without some damage."

Still, there are strong signs that the new President may do just as feared: shake up the 40,000 men and women who constitute the core of the intelligence community.

## Separation of Job Proposed

Foremost is a proposal that Mr. Carter separate the job of Director of Central Intelligence from that of the director of the C.I.A., a dual function that dates to the inception of the Agency in 1948.

Under the proposal, the director of the intelligence community—a policy-making official—would be unburdened of the additional task of managing the huge agency establishment in McLean, Va., and would be untainted by institutional loyalties.

The proposal has strong support from Vice President-elect Walter F. Mondale, who was a member of the Senate Select Committee on Intelligence until last summer and is now advising Mr. Carter on intelligence policy.

The Select Committee recommended the division of responsibilities in its final report last spring, and the chairman of the successor committee, Senator Daniel K. Inouye, Democrat of Hawaii, also favors it.

In an interview recently, Senator Inouye said he felt that "one of the weaknesses of the present system is that the Director of Central Intelligence is in charge of C.I.A."

## Military-Civilian Balance

The possibility of splitting the functions raises another issue—the balancing of civilian and military espionage operations.

The military branches of the intelligence community receive more than 80 percent of the roughly \$4 billion budgeted annually for all United States intelligence efforts, principally for the photo reconnaissance and radio signals interception technology used to monitor potential adversaries.

This military preponderance (the Central Intelligence Agency is allocated less than \$800 million of the total) has usually been offset by the political influence enjoyed by the Director of Central Intelligence, a civilian.

There has always been rivalry between civilian and military intelligence branches, often fierce and often involving funds.

"In the view of William G. Hyland, President Ford's Deputy Assistant for National Security Affairs, the budget rivalry could become more intense because "the fat days are definitely over" in the intelligence field. "From here on out, it'll be tight budgets," he added.

## Implies Rein on C.I.A.

His implication, it appeared, was that the C.I.A. would no longer have a free hand to indulge in such high-priced experiments as the raising of a Soviet submarine hulk from the floor of the Pacific in 1974 at a reported cost of \$500 million.

There is concern throughout the intelligence community, however, that still more reorganization and budget cuts might stifle the creative impulses in what had been a rather free-wheeling group of innovators.

Mr. Ford attempted to cope with the budget allocation issue in his Executive Order 11905 last February, which established a new Committee on Foreign Intelligence, consisting of the heads of the C.I.A. and the Defense Intelligence Agency and the deputy assistant for national security.

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Under Mr. Bush, the C.I.A. has sought to meet the pressure for organizational change, including the threatened split of director functions, with some shifts at the top.

He appointed Daniel Murphy, a four-star admiral, as his deputy for intelligence community affairs to supervise liaison with the Defense Intelligence Services, the National Security Agency, the Federal Bureau of Investigation, and the intelligence operations of the Treasury and State Departments and the Energy Research and Development Administration.

His other deputy, Erno Henry Koche, oversees the daily operations of the intelligence agency, freeing Mr. Bush for appearances before Congressional oversight committees, reports to the President and other aspects of his responsibility.

The arrangement is apparently functioning to the satisfaction of all the intelligence agencies, to judge from interviews across the community. In addition, despite their short tenure, Mr. Bush, Admiral Murphy and Mr. Koche have received plaudits from current and retired intelligence officers and from Mr. Carter.

However, nobody in Washington, including David Aaron, the President-elect's own transition team chief for national security, knows at this point exactly how Mr. Carter intends to align the intelligence community in his administration.

## Briefed on Covert Operations

The President-elect was described by C.I.A. officials who briefed him last month as "fascinated on covert action" operations of the agency—the agency's sorest flank during 18 months of Senate and House investigations in 1975 and 1976.

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Moreover, America's foreign policy (and  
significant part of our foreign trade) is almost  
totally formulated and executed in concert with  
these agencies. For example, the CIA is most  
involved in major U.S. government economic  
negotiations—oil, for example, and in

This is the second article in a series on America's  
Intelligence Community, including the CIA.

October 18, 1973

## CONGRESSIONAL RECORD — SEN

plore the relationship between classroom nutrition training and lunchroom experience.

There is no question but that a firm and growing demand base is the foundation of a sound and productive agriculture. Nowhere is that more evident than here in Georgia, home of one of the Nation's outstanding lunch programs. Some 850,000 youngsters take part on a daily basis, running up an annual food bill of \$50 million. Those purchases are made right here in the State with major emphasis on food produced by Georgia farms.

Farmers in your State, incidentally, also supply impressive amounts of food to nationwide family assistance and child nutrition programs. Last year, for example, the USDA bought 65 million pounds of poultry, peanut butter and all-purpose flour from Georgia suppliers. Of that, 35 million pounds was Georgia-processed peanut butter—going to child and family feeding programs across the country.

While food supplied by us makes an important contribution to school lunches, it represents only about 20 percent of the total amount used in the national program. The other 80 percent is bought from local suppliers, clearly indicating that the greatest impact of school lunch purchases is on local economies.

For example, Georgia is the Nation's second largest producer of both poultry and eggs. Last year your schools bought 12.8 million pounds of poultry and 5.3 million dozen eggs for school lunch programs. The grocery list also includes 79.8 million pounds of fruits and vegetables and 210 million half-pints of milk—obviously providing a major market for Georgia agriculture. Conversely, the availability of home-grown food is a boon for Georgia schools.

Clearly, your school lunch program is one of the best in the country. Latest figures indicate that 99.9 percent of Georgia's public school students have access to the National School Lunch Program. On a regular basis—81 percent of your students choose to take advantage of what has to be the best nutrition bargain available.

We're conducting two important drives right now in an attempt to borrow from the knowledge and experience of States like Georgia to strengthen school lunch programs in other areas. Our hope, of course, is to reach many more students who should have the opportunity and proper encouragement to take part in school lunch programs.

First we have a concerted drive on, working with school officials across the Nation, to make school lunch programs accessible to the nearly 5 million children attending schools still without any food service. Of these youngsters, 2.3 million are in parochial or other nonprofit private schools; the remainder are in public schools. There are solid indications of progress in this effort, thanks to the help and cooperation of many concerned organizations. Among them are the U.S. Catholic Conference, the Women's Auxiliary to the American Medical Association, the American Legion, and the Jaycees with their newly-announced coalition of national organizations. With this kind of broad support we hope for impressive results over the next several months.

On another front, while the national rate of student participation in the lunch program advances every year, many students—especially at high school level—still choose not to take part. We have been working closely with schools over the country to learn the secret of attracting teenagers to the lunch program. Our study showed there's really no secret to winning over high schoolers. What is required is a combination of such key factors as school administration support, student involvement, and good "selling techniques." Currently, we're moving to encourage schools with low participation to study and adopt some of the techniques that

have found success in States like Georgia, where school lunches contribute to the nutritional well-being of students at all age and economic levels.

Because of your leadership, it is especially appropriate that as school lunch week opens we come here to salute the National School Lunch Program as a potent force in American society. Congratulations on your 30th birthday!

## THE CLASH OF SECRECY AND FOREIGN POLICY

Mr. PROXMIRE. Mr. President, Nicholas deB. Katzenbach, former Under Secretary of State and Attorney General, has authored an extraordinary article in the October 1973 issue of *Foreign Affairs*.

It is extraordinary because it links the tragedy of Watergate with testy question of deliberate Government secrecy. He argues that U.S. Presidents have been the prisoners of the cold-war view of politics which in turn led to the "virtual impossibility for any President to be candid about the costs and risks of our foreign policy." Thus, the American public has been denied the right to influence decision-making by making rational choices of alternatives presented to them.

It is the problem of secrecy that inhibits debate over foreign policy, the demand for justifications, and the isolation of viable alternatives. The power to conduct foreign policy has slipped more into the hands of the Executive Department and with that has come a series of national disasters unparalleled in our history. The Bay of Pigs invasion, the Tonkin Gulf incident, the Vietnam War, are examples of major foreign policy issues decided in the darkness of secrecy. We have given up the traditional American cry for participation and justification. We now accept ignorance and argue over the few "facts" made available by a hostile and suspicious Executive Department convinced that only it knows best for the country.

Mr. President, the Katzenbach article does not leave us at this point, as do so many other analyses. It continues by offering a series of recommendations.

## KATZENBACH RECOMMENDATIONS

First, the President must welcome and encourage the support of the American public and the Congress of public discussion and criticism of his foreign policy proposals. Secrecy must be dropped as a political compromise as in secret consultations with limited numbers of congressional figures during meetings with "watchdog" committees which Mr. Katzenbach typifies as doing more "dogging than watching."

Second, the personnel and techniques that are employed in foreign policy decisionmaking must be made public.

Third, we should abandon publicly all covert operations designed to influence political results in foreign countries.

Fourth, we must minimize the role of secret information in foreign policy.

Mr. President, this article cannot be overlooked. It contains too much that is useful. I commend it to the attention of my colleagues.

Mr. President, I ask unanimous consent that the *Foreign Affairs* article and

less and totalitarian overtones of his administration could be seen as purely aberrational, without roots in the past. To a large degree I think they are, but unhappily they are not so rootless as I would wish.

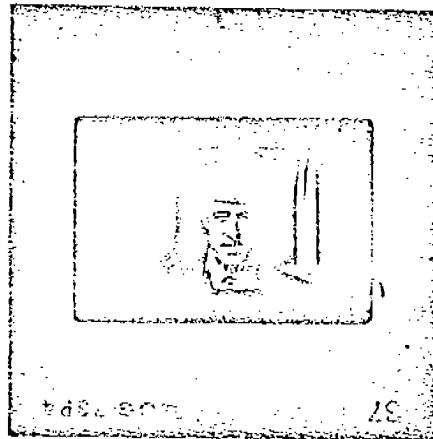
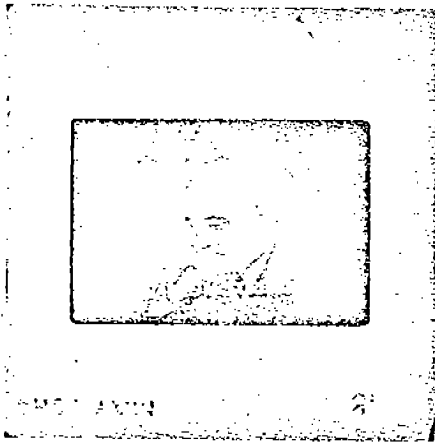
Second, I can give no support either to Henry Kissinger, who understandably would like to segregate Watergate from the real need to consolidate and perhaps even institutionalize the Nixon administration's productive advances in moderating our relations with the Soviet Union and China; or, at the opposite extreme, to the revisionists who rewrite the history of post-World War II foreign policy in ways which adjust the past to their present and future preferences. We have to go through a difficult period if we are to build, as we must, on a solid basis of popular support for our foreign policy, and the essentials of that task are candor and honesty.

The thesis of this article is simple. Our foreign policy must be based on policy and factual premises which are accepted by the overwhelming majority of the American people. This means that this President or his successor must reestablish the credibility of that office; that there must be broad support in the Congress and in the press and public for the policy he seeks to forward, and virtually total confidence that there is no manipulation of facts to prove the wisdom of that policy or, which may often be the same thing, the honest commitment of his administration to it. Today—when confidence in the honesty and integrity of both the President and the Presidency is at rock bottom—that is a big order. We may have to modify or abandon foreign policy objectives supported by many to arrive at a satisfactory level of public confidence. But until an Administration can achieve it, we cannot hope to succeed in any foreign policy, however modest it may be by comparison with either the recent past or the somewhat lesser role which the United States might legitimately be expected to play in the future.

II

In foreign policy there is no substitute for presidential leadership in formulating and

# An Inside Look: Watergate and the World of



“Are these men really former CIA men or are they still subject to the orders of the CIA? The CIA would like to have it one way, and then to have it overlooked the other way.”

**E**xplosive as the Watergate revelations have been, no disclosure has been more ominous than the 1970 Domestic Intelligence Plan attributed to the pen of Tom Charles Huston. The plan, as revealed last June, provided for the use of electronic surveillance, mail coverage, undercover agents and other measures to an extent unprecedented in domestic intelligence-gathering. This program was to be directed by a committee of representatives from all of the national intelligence agencies. It goes far toward justifying the worst paranoia Americans have felt during the past quarter century over the growth of secrecy and deception in our government. Much of this anxiety relates to what might be called “the CIA Mentality,” the stealthy abuse of power and the practice of deception of the American public—all performed under the cloak of secrecy and often in the name of anticommunism and national security. In fact, what makes the Watergate

case different from other scandals is that the system and methods used, the means by which it was all planned, staffed with experts, financed clandestinely and carried out was all taken from the operating method of the CIA.

The Central Intelligence Agency was created, and its powers and responsibilities defined, by the National Security Act of 1947. Its character was developed over a span of 11 years by its greatest mentor and guiding spirit, Allen Welsh Dulles. The “Frankenstein” product of this implausible union of a well-intentioned law and of a scheming opportunist is the agency as we find it today.

Before 1953, when Dulles became the Director, Central Intelligence (DCI), the CIA was primarily concerned with performing its assigned task: as the central authority for all of the various intelligence organizations of the government, the CIA’s business was to collect and interpret information gathered by other intelligence units. But that all soon changed.

In 1948, President Truman established a committee to review the CIA, to make recommendations for improvement and to evaluate its past performance. The members of this committee were Allen Dulles, Mathias Correa, and William Jackson, and their report was without question the most important single document on this subject ever pub-

*L. Fletcher Prouty was the Air Force officer in charge of Air Force support of the CIA, a position he held from 1955 to 1963. His office put him in constant contact with the top officers of the intelligence establishment, and he has traveled to over 40 countries at CIA request. He is one of the few people with inside knowledge of the CIA who was not required to take a lifetime oath of silence. His book, The Secret Team, is published by Prentice-Hall.*